



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

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DAVID E. JANSSEN  
Chief Administrative Officer

December 3, 2004

To: Supervisor Don Knabe, Chairman  
Supervisor Gloria Molina  
Supervisor Yvonne B. Burke  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

From: David E. Janssen  
Chief Administrative Officer

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

**DEPARTMENT OF HEALTH SERVICES RECOMMENDATION TO APPROVE  
RETROACTIVE PAYMENT FOR CANCER SURVEILLANCE SERVICES AT OLIVE  
VIEW-UCLA MEDICAL CENTER (ITEM NO. 22, AGENDA OF DECEMBER 7, 2004)**

Item No. 22 on your December 7, 2004 agenda is the Department of Health Services' (DHS) request for Board approval to authorize and approve retroactive payments in the amount of \$70,000 to the University of Southern California (USC) for cancer surveillance services at Olive View-UCLA Medical Center (OVMC) for the period January 1, 2003 through November 30, 2004. This action is not in compliance with the Board-approved policy to ensure the timely submission of contracts for Board approval.

Despite the retroactive nature of these payments, we approved placement of this item on the agenda for consideration by your Board because it involves services that are mandated by the State of California. In July 2003 your Board authorized the Director of DHS to enter into an agreement with USC for provision of the cancer surveillance services. Subsequent to this approval, USC refused to sign the agreement due to technical issues arising from the County standard agreement format. USC did, however, continue to provide the aforementioned services. Thus, while OVMC had authority to contract for these services, USC's refusal to sign an agreement resulted in the facility acquiring the mandated services, as well as accruing the related costs without a Board-approved agreement. The requested payments are retroactive to January 1, 2003 and reflect services that were obtained, but apparently had not been invoiced at the time that the Department sought Board approval of the USC agreement in July 2003. The Department had previously taken disciplinary action regarding the administrative staff involved with this agreement.

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Changes in legal counsel for USC have led to their willingness to enter into a contract for the provision of cancer surveillance services for both OVMC and Rancho Los Amigos National Rehabilitation Center (Rancho). In light of this change in position regarding the signing of the contract, Item 22 also requests the Board to delegate authority to the Director of DHS to execute an agreement with USC, effective upon date of Board approval through November 30, 2007 at an estimated net County cost of \$160,000.

If you have any questions or need additional information, please contact me or your staff may contact Dennis Conte at (213) 893-9741.

DEJ:DIL  
SAS:DC:bjs

c:     Executive Officer, Board of Supervisors  
         County Counsel  
         Auditor-Controller  
         Director of Health Services